

INTERMOUNTAIN POWER SERVICE CORPORATION

AUG - 6 2001

August 1, 2001

Mr. Richard Sprott  
Director  
Division of Air Quality  
Department of Environmental Quality  
P.O. Box 144820  
Salt Lake City, UT 84114-4820

ATTENTION: Nando Meli, Jr., NSR Permitting

Dear Mr Sprott,

**NOTICE OF INTENT: Corrections to Approval Order DAQE-523-01**

Intermountain Power Service Corporation (IPSC) is requesting certain corrections to the newly issued approval order DAQE-523-01 for the Intermountain Generating Station (IGS) in Delta. The IGS is a coal fired steam-electric plant located in Millard County. IPSC is also requesting that our Title V Operating Permit #2700010001 be modified to reflect the new AO language where applicable.

**ISSUE**

The DAQ issued an approval order to IPSC on June 28, 2001 pursuant to our request to consolidate terms of several previous AO's and to mirror our Title V permit. Since then, some AO conditions have been identified that are either lacking, inappropriate, or in error.

**PROPOSED CHANGES**

There are no physical or operation changes occurring in conjunction with this NOI. This submittal requests corrections to certain permitting issues only, as outlined here.

- 1) IPSC had obtained approval to burn self-generated used oil for energy recovery in 1989. (See AO BAQE-672-89.) Our Title V permit also allows the use of used oil for energy recovery. In the newly issued AO, this condition is missing. It was and still is our intent to continue to combust self-generated used oil. IPSC asks the DAQ to add the necessary language back into our approval order to allow this to continue. IPSC also suggests that the DAQ address an inconsistency between the approval order language in Condition 2 and this proposed condition for used oil. Specifically, Condition 2 states that definitions found at UAC R307 AND in 40

CFR take precedence unless otherwise defined in the AO. The definition for "used oil" found at UAC R307 conflicts with and is more restrictive than the definition for "used oil" in 40 CFR. IPSC recommends that the DAQ either alter the definition in the UAC or place the proper definition in 40 CFR within the AO.

- 2) Condition 9 of the new AO lists emission limits for our Group I dust collectors (see page 6 of DAQE-523-01). The same limits are also found in our Title V permit. Since general compliance for these emission units is being met by alternate methods to five year stack tests, IPSC suggests alternate permitting limits be used. When the IPSC Title V permit was issued, language of the permit required IPSC to show continuous compliance by performing more frequent monitoring of dust collectors than the stack tests required once every five years. The DAQ determined that monthly monitoring of dust collector operating parameters was an equivalent compliance method to the five year stack testing with respect to meeting state air regulations. However, as a practical matter, monthly monitoring of operating parameters cannot show direct compliance with an emission rate. But monthly monitoring can show compliance with other operating parameters that directly correlates to emission rates, as shown by previous testing and manufacturer information. Therefore, IPSC recommends that the emission rate limits be substituted with operating parameter limits. Specifically, we suggest using the differential pressure drop across the Group I duct collector fabric filters. Based upon manufacturer's specifications and our own engineering review, the minimum dP should be 0.5 inches of water gage.
- 3) The new AO #DAQE-532-01 lists emission limits for the main boilers in Condition 9. Note that these limits are derived from both NSPS requirements and PSD limits set forth in our original operating permits. However, they now significantly differ from earlier permits due to the lack of language that specifies that the limits are based upon 30 day rolling averages. These limits now appear more restrictive than previous approval orders and could severely limit operating flexibility if enforced as written. IPSC does not believe the DAQ intended to change the extent of our permit emission limits, therefore, IPSC recommends that the DAQ clarify that applicable emission limits are based upon a 30 day rolling average.
- 4) In keeping with showing continuous compliance with a consumption limit, Condition 11 of the new AO #DAQE-523-01 added a requirement to record monthly fuel throughput of the auxiliary boilers when operated. However, the language in this conditions states that the throughput will be recorded monthly "for all periods when the plant is in operation." Although it may be semantics, the term "plant" could be construed to mean the IPP plant as a whole. We believe based on

Mr. Richard Sprott  
Page 3  
August 1, 2001

previous discussions that the DAQ did not intend that this condition required monthly monitoring when the auxiliary boilers are idle for extended periods. IPSC suggests that the DAQ change the term "plant" to "auxiliary boiler" in Condition 9.

- 5) Condition 14 of the new AO #DAQE-532-01 requires submission of a dust control plan for approval by the DAQ, which can be redundant with multiple AO issues and Title V permitting. IPSC suggests that this Condition alternatively allow that a presently approved fugitive dust plan meets this condition if no changes to operations impacting fugitive dust are made.
- 6) The new AO #DAQE-532-01 has no specific language as to types of fuels "permitted" for combustion. Condition 6 states that we will operate in accordance with terms written pursuant to our Notice of Intent, which does describe fuel use. However, with this language missing, it may be construed that IPSC is not approved to burn coal, or alternatively, construed that we have no limitations on the type of fuel we burn. IPSC suggests adding the language as shown in earlier AO's that expressly allows or limits IPSC to combust bituminous and subbituminous coals, fuel oil, and used oil for steam generation.

We have included the \$480.00 base fee required for only generic work required for this request, since no modifications are being made. Should you require further information to expedite the approval of this request, please contact Mr. Dennis Killian, Superintendent of Technical Services, at (435) 864-4414, or [dennis-k@ipsc.com](mailto:dennis-k@ipsc.com).

In as much as this notice of intent affects our Title V Operating Permit, I hereby certify that, based on information and belief formed after reasonable inquiry, the statements and information in this document are true, accurate, and complete.

Cordially,



S. Gale Chapman  
President, Chief Operations Officer, and Title V Responsible Official

*OK*  
RJC\BP\db  
Enclosure

cc: Blaine Ipson  
Bruce Moore, LADWP CES  
Mike Nosanov, LADWP  
James A. Holtkamp, LLGM